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**FIRE DISTRICT NO. 5
OF CADDO PARISH, LOUISIANA
GENERAL PURPOSE FINANCIAL REPORT STATEMENTS
DECEMBER 31, 2000**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/25/01

**FIRE DISTRICT NO. 5 OF CADDO PARISH, LOUISIANA
DECEMBER 31, 2000**

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Board of Commissioners
Fire District No. 5 of Caddo Parish, Louisiana
Shreveport, Louisiana

We have audited the accompanying general purpose financial statements of Fire District No. 5 of Caddo Parish, Louisiana, component unit of the Parish of Caddo, Louisiana as of and for the year ended December 31, 2000 as listed in the Table of Contents. These general purpose financial statements are the responsibility of Fire District No. 5 of Caddo Parish, Louisiana management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit general purpose financial statements referred to above present fairly, in all material respects, the financial position of Fire District No. 5 of Caddo Parish, Louisiana, as of December 31, 2000, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2001, on our consideration of Fire District No. 5 of Caddo Parish, Louisiana's internal control over financial reporting and a report of our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

A handwritten signature in black ink that reads "Thomas A. Agee CPA". The signature is written in a cursive, flowing style.

Agee & Agee, P.C.
Shreveport, Louisiana

June 26, 2001

FIRE DISTRICT NO. 5 OF CADDO PARISH, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2000

	GOVERNMENT FUND TYPES		
	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND
ASSETS AND OTHER DEBITS:			
ASSETS:			
CASH AND CASH EQUIVALENTS (NOTE 1 & 3)	\$ 211,671		\$ 820,825
DEPOSIT - WORKERS COMPENSATION	1,679		
RECEIVABLE FROM BOND SERVICE FUND	18,068		
RECEIVABLE CAPITAL PROJECTS FUND	7,435		
RECEIVABLE FROM GENERAL FUND			
TAXES AND FEES RECEIVABLE NET OF ALL ALLOWANCES FOR UNCOLLECTIBLES (NOTES 1 & 4)	201,015	\$ 73,436	
DUE FROM OTHER GOVERNMENTAL UNITS (NOTES 1 & 5)	8,000		
OTHER ASSETS			
CAPITAL LEASE EQUIPMENT (NOTE 10)			
LAND AND BUILDINGS (NOTE 10)			
EQUIPMENT (NOTE 6)			
VEHICLES			
EQUIPMENT UNDER CONSTRUCTION			7,435
OTHER DEBITS:			
CAPITALIZED BOND COST		\$ 14,678	
AMOUNT TO BE PROVIDED CAPITAL LEASE (NOTE 9)			
AMOUNT AVAILABLE IN DEBT SERVICE FUND			
AMOUNT TO BE PROVIDED FOR RETIREMENT OF GENERAL LONG-TERM OBLIGATIONS			
TOTAL ASSETS	\$ 447,868	\$ 88,114	\$ 828,260
LIABILITIES AND FUND EQUITY			
LIABILITIES:			
ACCOUNTS PAYABLE	\$ 20,745		\$ 7,435
PAYABLE TO GENERAL FUND		\$ 15,726	
CAPITAL LEASE (NOTE 9)			
DEBT SERVICE FUND (NOTE 8)	2,650		
BONDS PAYABLE (NOTE 8)			
TOTAL LIABILITIES	\$ 23,395	\$ 15,726	7,435
FUND EQUITY AND OTHER CREDITS			
INVESTMENT IN EQUIP. UNDERCONSTRUCTION			
INVESTMENT IN GENERAL FIXED ASSETS			
FUND EQUITY:			
DESIGNATED FOR CAPITAL EXPENDITURES (NOTE 8)	\$ 53,359		820,825
DESIGNATED FOR OPERATIONS	230,100	\$ 72,388	
UNDESIGNATED	141,014		
TOTAL FUND EQUITY	\$ 424,473	\$ 72,388	\$ 820,825
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	\$ 447,868	\$ 88,114	\$ 828,260

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

ACCOUNT GROUPS		TOTAL MEMORANDUM ONLY	
GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	December 31 2000	December 31 1999
		\$ 1,032,496	\$ 202,685
		1,679	1,679
		18,068	
		7,435	
		274,451	272,417
		8,000	5,452
\$ 232,693		232,693	232,693
205,721		205,721	205,721
399,321		399,321	399,321
		7,435	
		14,678	
	\$ 17,567	17,567	
	73,436	73,436	119,618
	726,564	726,564	(59,618)
\$ 837,735	\$ 817,567	\$ 3,019,544	\$ 1,379,968
		\$ 28,180	\$ 8,426
		\$ 15,726	
	17,567	17,567	
		2,650	
	\$ 800,000	800,000	60,000
	\$ 817,567	\$ 864,123	\$ 68,426
\$ 837,735		837,735	\$ 837,735
		874,184	
		302,488	383,938
		141,014	89,869
\$ 837,735		2,155,421	\$ 1,311,542
\$ 837,735	\$ 817,567	\$ 3,019,544	\$ 1,379,968

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

FIRE DISTRICT NO. 5 OF CADDO PARISH, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES- ALL GOVERNMENTAL FUND TYPES
 DECEMBER 31, 2000

	GENERAL FUND	DEBT SERVICE FUND2	CAPITAL PROJECTS FUND
REVENUES:			
TAXES AND FEES (NOTES 2 & 4)	\$ 205,929	\$ 75,199	
BOND PROCEEDS			\$ 800,000
INTERGOVERNMENTAL:			
STATE REVENUE SHARING (NOTE 5)	8,000		
FIRE INSURANCE TAX	5,736		
INTEREST INCOME	10,544		20,825
DONATIONS			
MISCELLANEOUS REVENUES			
TOTAL REVENUES	\$ 230,209	\$ 75,199	\$ 820,825
EXPENDITURES:			
SALARIES AND BENEFITS	\$ 137,609		
INSURANCE OTHER	15,348		
TRUCK MAINTENANCE	11,174		
PARISH PENSION & COLLECTION EXPENSE	10,119		
FUEL	2,997		
BUILDINGS AND GROUNDS	6,263		
UTILITIES TELEPHONE	6,231		
MEDICAL SUPPLIES	1,726		
FIREFIGHTING SUPPLIES	6,179		
MEDICAL COURSES AND TRAINING	6,506		
OFFICE SUPPLIES AND EXPENSE	3,366		
PROFESSIONAL FEES	10,423		
REPAIRS AND MAINTENANCE-OTHER	4,452		
BAD DEBT EXPENSE (NOTE 4)	(8,958)	1,763	
AMORTIZATION EXPENSE		1,048	
CAPITAL OUTLAY			
EQUIPMENT UNDER CONSTRUCTION			7435
PRINCIPAL RETIREMENT			
INTEREST			
TOTAL EXPENDITURES	\$ 213,434	\$ 2,811	\$ 7,435
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 16,775	\$ 72,388	\$ 813,390
OTHER FINANCING SOURCES:			
INTER-FUND TEMPORARY TRANSFER			\$ 7,435
TRANSFER 1985 BOND FUND EQUITY TO DESIGNATED GENERAL FUND (NOTE 8)	53,359		
SALE OF EQUIPMENT	150		
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER SOURCES	\$ 70,284	\$ 72,388	\$ 820,825
FUND BALANCES- BEGINNING	\$ 354,189	0	0
FUND BALANCES- ENDING	\$ 424,473	\$ 72,388	\$ 820,825

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

TOTAL MEMORANDUM ONLY	
December 31 2000	December 31 1999
\$ 281,128	\$289,217
800,000	
8,000	6,853
5,736	
31,071	19,115
<hr/>	
\$ 1,125,935	\$ 315,185
\$ 137,608	\$ 137,270
15,348	19,873
11,174	19,513
10,119	12,283
2,997	4,367
6,263	7,165
6,231	6,196
1,726	2,634
6,179	7,069
6,506	8,254
3,366	2,809
10,423	9,385
4,452	4,850
(7,195)	21,461
1,048	
	28,715
7,435	
	50,000
	7,650
<hr/>	
\$ 223,680	\$ 349,494
\$ 902,255	\$ (34,309)
\$ 7,435	
53,359	
150	
\$ 963,199	\$ (34,309)
\$ 354,189	\$ 508,116
<hr/>	
\$ 1,309,953	\$ 473,807
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

FIRE DISTRICT NO. 5 OF CADDO PARISH, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BASIS) AND ACTUAL GENERAL FUND
DECEMBER 31, 2000

EXHIBIT C

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:			
TAXES AND FEES (NOTES 2&4)	\$ 199,850	\$ 226,938	\$ 27,088
INTERGOVERNMENTAL:			
STATE REVENUE SHARING (NOTE 5)	6,200	5,452	(748)
FIRE INSURANCE TAX	5,800	5,736	(64)
INTEREST INCOME	12,100	10,544	(1,556)
MISCELLANEOUS REVENUES			
TOTAL REVENUES	\$ 223,950	\$ 248,670	\$ 24,720
EXPENDITURES:			
SALARIES AND BENEFITS	\$ 140,120	\$ 136,517	\$ 3,603
INSURANCE OTHER	21,000	15,407	5,593
TRUCK MAINTENANCE	12,000	11,526	474
PARISH PENSION & COLLECTION EXPENSE	11,400	10,119	1,281
FUEL	3,800	3,262	538
BUILDINGS AND GROUNDS	6,700	6,758	(58)
UTILITIES AND TELEPHONE	6,150	6,230	(80)
MEDICAL SUPPLIES	2,000	2,526	(526)
FIREFIGHTING SUPPLIES	7,700	6,179	1,521
MEDICAL COURSES AND TRAINING	7,775	6,615	1,160
OFFICE SUPPLIES AND EXPENSE	3,175	3,449	(274)
PROFESSIONAL FEES	9,300	10,191	(891)
REPAIRS AND MAINTENANCE-OTHER	4,200	4,383	(183)
CAPITAL OUTLAY	29,000		29,000
TOTAL EXPENDITURES	\$ 264,320	\$ 223,162	\$ 41,158
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (40,370)	\$ 25,508	\$ 65,878
FUNDS FROM CAPITAL LEASE (NOTE 10)			
OTHER FINANCING SOURCES:			
PROCEEDS FROM INSURANCE CLAIM			
SALE OF EQUIPMENT		150	150
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER SOURCES	\$ (40,370)	\$ 25,658	\$ 66,028
FUND BALANCES- BEGINNING	\$ 354,189	\$ 354,189	\$ 354,189
FUND BALANCES- ENDING	\$ 313,819	\$ 379,847	\$ 420,217

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

FIRE DISTRICT NO. 5 OF CADDO PARISH, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

Fire District No. 5 of Caddo Parish, Louisiana (the "District") was created by Ordinance No. 2143 adopted by the Caddo Parish Commission on April 25, 1984. The governing body of the District consists of a five member Board of Commissioners, appointed by the Caddo Parish Commission and is a component the Parish of Caddo. Members serve two year terms and do not receive compensation for their services. The District has four (4) paid employees and a volunteer organization.

The District provides fire protection, emergency medical and hazardous material services for the people of the District. The twenty-four (24) hour manned station is equipped with a Class A pumper, Class B pumper, emergency medical service truck, 6,000 gallon tanker and other miscellaneous vital equipment. Two unmanned stations are equipped with a Class B pumper/tank truck.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Caddo Parish Fire District No. 5 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASP) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Caddo Commission is the financial reporting entity for Caddo Parish. The financial reporting entity consists of (a) the primary government (Caddo Commission), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Caddo Commission for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Commission to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Commission.
2. Organizations for which the Commission does not appoint a voting majority but are fiscally dependent on the Commission.

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Caddo Parish Commission appoints the organization's governing body, the District was determined to be a component unit of the Caddo Parish Commission, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Parish Commission, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the District are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the District include:

1. General Fund — is the operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds.
2. Debt Service Fund — accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.

General Fixed Assets and General Long-Term Debt:

General Fixed Assets Account Group:

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes.

General Long-Term Debt Account Group:

The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from governmental fund types.

Total Columns on Combined Statements:

Total columns on the combined statements are captioned "MEMORANDUM ONLY" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds.

The governmental funds use the following practices in recording revenues and expenditures:

Revenue Recognition:

Ad valorem taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the District in September or October, are actually billed to the taxpayers in November and are actually due and payable on or before January 1 of the following year. The District's ad valorem tax revenues are accrued and recognized when levied.

Other Revenue:

Other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures:

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses).

E. BUDGETS (CASH BASIS)

The budget for the General Fund is proposed and formally adopted by the Commissioners in the last quarter of the fiscal year following at least one budget planning session open to the public. The budget is prepared on the cash basis of accounting. Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval of the Commissioners. At year end, all appropriations lapse.

The budget comparison statement included in the accompanying financial statements includes the original adopted budget (cash basis) and all subsequent amendments, if any.

The following reconciles the excess of revenues over expenditures for the General Fund as shown in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances — all Governmental Fund Types to the Statement of Revenues, Expenditures and Changes in Fund Balances — budget (cash basis) and actual.

Excess of Revenues over Expenditures – GAAP Basis	\$ 16,925
Adjustments	
Revenue Accruals – Beginning	\$ 218,516
Expenditure Accruals – Beginning	\$ (8,426)
Revenue Accruals – Ending	\$ (209,015)
Expenditure Accruals – Ending	\$ 20,745
Excess of Revenues over Expenditures – Budgetary Basis	\$ 25,658

F. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. The District considers all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents.

Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

G. INVENTORIES

Inventories consist of expendable supplies held for consumption. Expenditures are recognized when the items are purchased. Inventories at year end are equally offset by fund balance reserves.

H. PREPAID ITEMS

Annual prepaid insurance is expensed at the time purchased. The difference between new and changing policies is considered immaterial on an annualized basis.

I. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during a construction is immaterial and is not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost, or estimated cost if historical cost is not available.

J. COMPENSATED ABSENCES

After one year of service, firemen earn 18 to 28 days of annual leave each year, depending on their length of service. Annual leave must be taken in the year earned. Unused annual leave cannot be accumulated. Upon termination, employees are paid for any earned but unused annual leave.

Each full-time employee is entitled to full pay during sickness or culpable indiscretion, for a period of not less than 52 weeks, during any calendar year.

At December 31, 2000, employee leave benefits requiring recognition in accordance with GASB Codification Section C60 were determined to be immaterial and not included within accompanying financial statements. The cost of leave privileges, computed in accordance with the above codification, is recognized as a current-year expenditure within the General Fund when leave is actually taken.

K. BAD DEBTS

Uncollectible amounts due for ad valorem taxes and parcel fees are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the estimated uncollectible amounts.

L. LONG-TERM OBLIGATION

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

M. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

N. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned "MEMORANDUM ONLY" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. AD VALOREM TAXES AND PARCEL FEES

The following is a summary of authorized and levied ad valorem taxes and parcel fees:

	2000 Millage & Fees	
	Authorized	Levied
Maintenance and Operation Tax	\$10.00	\$ 9.83
Parcel Fees	\$75.00	\$75.00
Bond Tax	Variable	\$ 5.25

The differences between authorized and levied millages are the result of reassessment of the taxable property required by Article 7 Section 23 of the Louisiana Constitution of 1974.

3. CASH AND CASH EQUIVALENTS

At December 31, 1999, the District has cash and cash equivalents totaling \$211,671 as follows:

Demand Deposits	\$	27,370
Time Deposit (CD)		38,955
Money Market Accounts		145,196
Petty Cash		150
TOTAL	\$	211,671

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

4. RECEIVABLES

Total taxes and fees levied were \$289,217. Taxes and fees receivable at December 31, 1999, consisted of the following:

Taxes Receivable	Total	General Fund		
		Millage	Parcel Fee	Debt Serv Fund
Current Roll	\$ 290,400	\$ 140,801	\$ 74,400	\$ 75,199
Less: Funds Received in December 1998	11,922	4,922	4,350	2,650
Sub-Total	278,478	135,879	70,050	72,549
Less: Est. Parish Pension Fund Cost and Collection Fees	11,412	3,802	5,580	2,030
Sub-Total	267,066	132,077	64,470	70,519
Less: Allowance for Uncollectible Taxes	6,677	3,302	1,612	1,763
Net Taxes Receivable	\$ 260,389	\$ 128,775	\$ 62,858	\$ 68,756

The General Fund Budgeted Expenditures of \$230,100 have been designated for the subsequent years expenditures.

5. DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units (excluding the ad valorem taxes which are collected by the Sheriff and remitted to the fire district) consist of the following:

Estimated State Revenue Sharing and three payments for 2000: \$8,000

6. CHANGES IN GENERAL FIXED ASSETS

A summary of the changes in the General Fixed Assets Account Group is as follows:

	Balance Dec 31, 1999	Additions	Deletions	Balance Dec 31, 2000
Vehicles	\$ 399,321	\$ 0	\$ 0	\$ 399,321
Equipment	177,006	0	0	205,721
Building and Land	232,693	0	0	232,693
Totals	\$ 809,020	\$ 0	\$ 0	\$ 837,735

7. LOUISIANA FIREFIGHTERS RETIREMENT SYSTEM PENSION NOTE

Plan Description. Substantially all employees of Fire District No. 5 of Caddo Parish, Louisiana are members of the Louisiana Firefighters Retirement System (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Membership in the System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection District that did not enact an ordinance prior to January 1, 1980, exempting itself from participation in the system. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service, or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third per cent of their final-average salary for each year of creditable service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (504) 925-4060.

Funding Policy. Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Fire Protection District No. 5 of Caddo Parish is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Fire Protection District No. 5 of Caddo Parish are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Fire Protection District No. 5 of Caddo Parish's contributions to the System for the years ending December 31, 2000, 1999, 1998, were \$8,949, \$7,933, and \$8,241, respectively, equal to the required contributions for each year.

8. CHANGES IN LONG-TERM DEBT

- A. The \$400,000 bond issue of 1985 was paid off in March of 2000. The funds equity balance of \$53,359 was transferred to the General Fund designated for capital expenditure by the Board of Commissions in the regular meeting on July 5, 2000.
- B. On November 20, 1999, the voters of the Fire District approved the issuance of bonded indebtedness of \$800,000. The bonds were sold in June 2000. The proceeds received are to be used to acquire or build a new fire station, purchase fire trucks and fire protection equipment.

The note provides for one annual principal payment in full on March 1 and a semi-annual interest payment on September 1.

The following is a summary of bond transactions of the District for the year ended December 31, 2000.

Bonds payable at December 31, 1999	\$ 60,000
Bonds retired	(60,000)
Bonds issued	<u>800,000</u>
Bonds payable at December 31, 2000	\$800,000

The annual requirements to amortize bonded debt as of December 31, 2000, including interest payments are as follows:

Year Ending December 31	Total Principal and Interest Due	Principal Due	Interest Due
2001	\$71,200	\$30,000	\$41,200
2002	72,998	35,000	37,998
2003	77,580	40,000	37,580
2004	76,580	40,000	36,580
2005	80,193	45,000	35,193
2006	78,505	45,000	33,505
2007	81,480	50,000	31,480
2008	79,105	50,000	29,105
2009	81,205	55,000	26,205
2010	82,155	60,000	22,155
2011	78,075	60,000	18,075
2012	79,575	65,000	14,575
2013	80,795	70,000	10,795
2014	81,698	75,000	6,698
2015	82,280	80,000	2,280

9. CAPITAL LEASE

Long term debt consists of a capital lease for a Class A pumper. The note provides for one annual principal payment and interest payment on January 15.

The annual requirements of the capital lease as of December 31, 2000 including interest payments are as follows:

Year Ending April 15	Total Principal and Interest Due	Principal Due	Interest Due
2001	\$ 6,633	\$ 5,492	\$ 1,141
2002	6,633	5,849	784
2003	6,633	6,227	406
	\$19,899	\$17,568	\$ 2,331

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Fire District No. 5 of Caddo Parish, Louisiana
Shreveport, Louisiana

We have audited the general purpose financial statements of Fire District No. 5 of Caddo Parish, Louisiana, a component unit of the Parish of Caddo, Louisiana as of and for the year ended December 31, 2000, and have issued our report thereon dated June 26, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

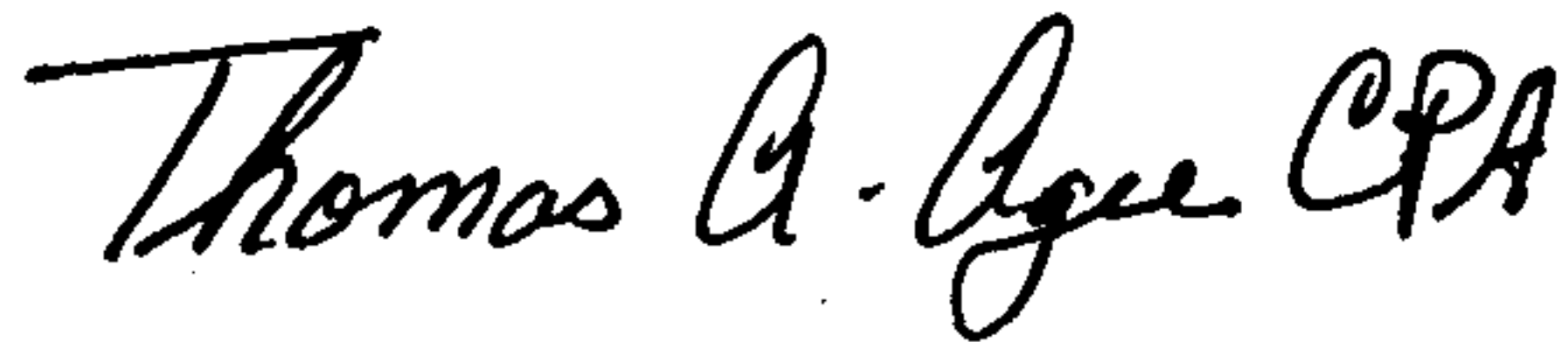
As part of obtaining reasonable assurance about whether Fire District No. 5 of Caddo Parish, Louisiana general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Fire District No. 5 of Caddo Parish, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Board of Commissioners
Fire District No. 5 of Caddo Parish, Louisiana
June 26, 2001
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This report is intended solely for the information and use of the Board of Commissioners, management, others within the organization, Caddo Parish Commission and the Louisiana Legislature Auditor.

A handwritten signature in black ink that reads "Thomas A. Agee CPA". The signature is written in a cursive, flowing style.

Agee & Agee, P.C.
Shreveport, Louisiana
June 26, 2001